

# **FISCAL NOTE**

## **HB 2288 - SB 2275**

March 4, 2005

**SUMMARY OF BILL:** Establishes the "Governor's Books from Birth Fund" as a state program. Authorizes the fund to partner with a non-profit public benefit corporation. Authorizes non-profit partner to receive funds from the general public and amounts appropriated by the General Assembly. All funds held by the Books from Birth Fund on June 30, 2005, shall be transferred to the non-profit partner for purposes of implementing the program. Authorizes non-profit partner to participate in the Tennessee Consolidated Retirement System (TCRS) and the state health insurance plan for quasi-governmental organizations, with the non-profit partner bearing the agency share of the costs.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$2,000,000 Reflected in Governor's  
FY 2005-06 Recommended Budget**

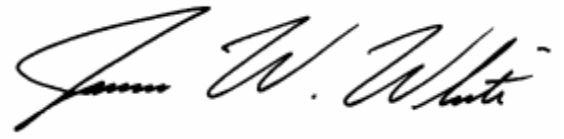
Assumptions:

- The FY05 appropriation act includes an appropriation of \$2,001,400. The FY06 recommended state budget includes an appropriation of \$2,000,000.
- The Division of Insurance Administration is not aware of any characteristics which would indicate an inordinate amount of risk that would be attached to the employees of the non-profit public benefit corporation or the current employees who might maintain coverage through the state plan after transferring.
- The continuation of access to the state plan is similar to the opportunity afforded employees when educational television stations, the blind workshops, and the University of Tennessee Hospital were spun off from state government.
- According to the Department of Finance and Administration, there should be no additional state expenditures associated with health insurance or the TCRS.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

**HB 2288 - SB 2275**

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director